

OD&E-0119-82

19 NOV 1982

MEMORANDUM FOR: Director of Finance

THROUGH: Deputy Director for Science and Technology *[Signature]*

FROM: Robert J. Kohler  
Director of Development and Engineering

SUBJECT: Consolidation of National Programs Finance  
Branch/OF and PAB/OD&E

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1. The Office of Development and Engineering's Programs Administration Branch (PAB) and the Office of Finance's National Programs Finance Branch (NPF) are responsible for complementary financial functions in support of National Programs. Approximately 85 percent of NPF's responsibilities are in direct support of OD&E activities. Working with and through PAB, NPF's efforts on OD&E's behalf are divided into three categories of financial service:

- a. Preaudit, certification and payment of National Programs' invoices.
- b. Audit and certification of TDY and PCS travel and related accountings, and Class B station accountings.
- c. Maintains a disbursing facility for advances and reimbursements.

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2. NPF also provides services to the Office of SIGINT Operations (OSO), primarily in support of their National Program interests, and to the Office of Soviet Affairs (SOVA) of the Intelligence Directorate.

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3. To ensure that OD&E financial operations are conducted in a most efficient manner, it is critical that PAB and NPF coordinate closely on a continuing basis. To a fair degree, this has been our experience. However, the planned growth of OD&E, which will have a direct impact on travel and its administration, and legislative action such as the Prompt Payment Act, make it critical that these two entities function as one. To illustrate the relationship between PAB and NPF, the following functions are cited:

- a. PAB processes the obligations for Class B station accountings and NPF processes the expenses.

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b. PAB reviews all OD&E PCS/TDY travel accountings to ensure consistency with the regulations and to verify that any required explanations are evident, including necessary approvals and certifications. NPFb then performs a similar audit process and certifies the completed voucher.

c. NPFb generates travel audit exceptions. PAB has follow-up action to ensure these exceptions are settled by the traveler as PAB is responsible for monitoring OD&E's individual advance accounts.

d. For National Programs contract transactions, PAB processes the approval documentation, assigns the General Accounting System FAN and enters the obligations in the GAS and Special Projects and Activities (SPA) systems. NPFb processes the documentation, initiates the payment of invoices and enters the expense to the GAS and SPA systems. PAB subsequently reconciles the data in both systems and coordinates with NPFb on any discrepancies. ☐

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4. The merger of NPFb with PAB consolidates, in a single unit, the resources and skills necessary to provide budget and financial management and control for OD&E and its expanding National Programs' responsibilities. There is a potential for savings in personal services, were the merger approved, which may be reprogrammed for other priorities. ☐

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5. Under the existing organizational structure, PAB is heavily oriented toward travel pre-processing, contractual funding/commitments/obligations and the budget process. NPFb is oriented almost exclusively toward the disbursement, accounting and expenditure end of the financial spectrum. Employees at the working level are far more specialized than would be the case if these branches were merged. A unified organizational entity would result in a cohesive, more diversified and better trained complement of Finance careerists who would function as an integral part of the OD&E Executive Staff in its support to the National Programs. Approval of the merger would also result in valuable cross-training of PAB and NPFb employees in areas where they are not now fully proficient. ☐

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6. It is therefore recommended that the National Programs Finance Branch be abolished as a separate organizational entity and its functions, responsibilities, and personnel resources be transferred to the Programs Administration Branch, Office of Development and Engineering. [redacted]

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[redacted]  
Robert J. Kohler

CONCUR:

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[redacted]  
Deputy Director for Science and Technology

7 Feb -83  
Date

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